CONTENTS: Dr. Small Confesses---Three Fatal Flaws---Diagnosis of Capitalism

The Christian Socialist

The Golden Rule Against the Rule of Gold

New York Pub. Library 425 Lafayette St.

Entered as Second Class Matter January 21, 1907, at the Post Office in Chicago, Illinois, Under Act of March 3d, 1879

Tenth Year. No. 14. CHICAGO, ILLINOIS, SEPTEMBER 1, 1913 5c Per Copy. $1.00 Per Year

Diagnosis of Capitalism

Dr. Small Proves His Understanding of the Dread Disease

Extraordinary Exposure of the "Illusions," "Fallacy" and "Superstition" Underlying Business for Profit

Since the August issue of the **Christian Socialist** appeared, the author of the notable book "Between Eras" forwarded the following communication to the editor:

Dear Sir:—

I have just read with great interest your review of "Between Eras" and I wish you would send me as many more copies as the enclosed $1.00 will pay for.

If I could discuss the matter with you I should make my base of operations the claim that you have seriously underestimated the carrying power of the first clause in Halleck's memorandum. In my judgment **the principle that industrial partnership is to be commensurate with industrial function is the most radically constructive idea in sight** on the plane of concrete operations. It doesn't prejudge the question of the ratio between the influence and incomes of the different persons who function in industry, but leaves that matter to be determined by the facts. These facts are merely guessed at now by all parties concerned.

Sincerely,
(Signed) Albion W. Small.

This letter confirmed our previous desire and growing purpose to present further discussions of Dr. Small's truly great book,* and we urge every thoughtful man and woman to read carefully the interesting, astonishing and convincing words in this article by which the great professor of sociology exposes the false and unjust theories upon which capitalism rests. These words, coming from such a source, are tremendously significant.

The principle cited in the above letter, **"that industrial partnership is to be commensurate with industrial function,"** is certainly true; and we here present a part of Dr. Small's ample arguments in its behalf, not only to prove that we have not "underestimated its carrying power," but to impress and encourage our readers with these remarkable anti-capitalism utterances.

After reading these burning far-flung, revolutionary words, we hope that every one who can possibly afford to do so will purchase the book and study it carefully.

Before a consistent judgment of the probable success or failure of Dr. Small's remedy, if applied to the social disease as he has diagnosed it, can be formed, we must consider the diagnosis itself.

No one has more clearly exposed the essential injustice, iniquity and hopelessness of capitalism as a dominating social force than Dr. Small, and we desire that our readers may more fully realize this fact from his own words. It must be admitted that the author's plan of expressing himself by means of utterances through various fictitious characters in suppositious arguments tends to veil his personal views and shield him from severest criticism on the part of offended capitalists and their servile retainers, yet no one who studiously reads the book—which we urge all to do—can fail to note the unqualified, relentless and revolutionary character of his condemnation of capitalism, and his fearless and emphatic insistence upon both political and industrial democracy as the ultimate goal of the present irrepressible social struggle.

*Between Eras—From Capitalism to Democracy, by Albion W. Small, Professor of Sociology in the University of Chicago. Handsomely bound. 400 large pages. Price $2.75. Order of the Christian Socialist.

How Modern Business Grew

In a stimulating though whimsical tilt between Logan Lyon, the attorney for the Company who was already beginning to think, and the Board of Directors, Logan said:

"The Avery Company, for instance, is a sample of the sort of a thing that has grown up all over the world. Nobody saw in advance just what was coming, but new sources of motor power, new types of machinery, new markets, new legislation, new organization of economic forces, have gradually put into the hands of a few of us a new type of control over most of our partners in work. That is, the great majority of the people who make a modern industry have no more to say about the policy of the industry, or about business standards in general, than the Russian moujiks have about the constitution and laws of the empire. Our business, like every other, is necessarily a co-operative process. Each kind of labor from thinking out the first steps in financing the company, to the least skilled work in getting out the raw material for our use, depends on every other kind. We couldn't get along without the work in the coal yards, any more than the coal yards could exist without the work in this office. But the 'whole arrangement' that I spoke of gives a handful of us relatively as much power over the great number as the Russian bureaucrats have over the nation at large. This is all very flattering to our vanity and convenient for our side of the arrangement, but if we were called upon to justify it on the grounds of good sportsmanship, we should have hard work to come off very proud of ourselves."

"That's the talk of a quitter, Lyon," snarled Evans. "It's always good sportsmanship to take what comes to you under the rules, not to whine when you get the short end."

"It's a great deal better sportsmanship returned Lyon, "when everything has been coming our way, to be willing to consider whether the rules haven't artificially favored our style of play."

* * * * * * *

"If you'd get the muddle out of your rhetoric," sneered Dexter, "there'd be no excuse left for your Miss Nancyism about sticking to business. Come in out of the moonlight, and you'll see that it isn't a partnership, nor a gentleman's game—it's a fight. Every man for himself. It's all well enough to pity your enemies after you've got them where you want them, but if you give any quarter before, you will simply exchange places."

"There would be millions, Mr. Dexter, in a comic opera built around a national bank magnate blowing himself with the hallucination that business is 'every man for himself.'

"If it really were 'every man for himself,' Mr. Dexter, where would the bankers be? Not one of them could ever have got beyond selling papers on the street corner. But they couldn't have got that far, because enough capital never could have been collected or held together to publish a newspaper. **The banker who thinks he has fought his way to the front without help, is capable of believing that he was born of his own will.** You are Exhibit A, Mr. Baxter, in a problem of refutation that ought not to puzzle a schoolboy. Business in general, and banking as a shining instance, is 'many men for one another.' **Not a business on earth could live a minute if it didn't have the benefit of a public franchise in some shape.** When you look the facts square in the face, you find that business is neither a game, nor a fight, nor a partnership, but it is all three together. I see no reason to doubt that it will always be a combination of the three. For all we know, however, the proportions of the elements will have to be changed a great many times before human affairs settle down to their final adjustment. **So far as we have gone, business is a scramble to let in just enough friends on the ground floor of a few preferred partnerships, to secure them in a winning fight with the rest of the world, the non-preferred partners included. The people on the inside couldn't spin a thread if a hundred times as many people on the outside didn't consent to work with them on terms which the insiders find profitable for themselves.** Now my point is that there is always a question whether these terms are fair, and whether the outsiders have their share of influence in testing the fairness."

"Lyon's conscience is troubled," chimed in Dexter, because brains don't go to the bottom instead of the top."

"Whether there is any conscience in it or not," retorted Lyon, **"the assumption that brains and nerve to hog the situation are identical is an overdraft on my sense of the ridiculous."**

* * * * * * *

"It is weak and dangerous," insisted Mr. Lyon, with a revival of his previous energy, "to dally with the notion that the ordinary man could go very far without a guardian. I have no hesitation in saying that I know, better than people in general, what they ought to think about things in general."

"Suppose we grant that, father," responded Logan gently; "it doesn't touch the main question. The real issue is this: **How do you know that your better judgment hasn't usurped more authority than it is entitled to as a dictator to men of poorer judgment?** Political tyranny has always justified itself on the same ground. The argument of the few is: 'The many don't know. We do. Therefore we have the right to govern the many.' **No one dares to say that in politics in the United States; but we still say it in business.** The Kaiser thinks he knows better than his Germans what they ought to think about things in general, and he consequently maintains a government that regulates them, from the hiring of servant girls to declaring war. **But we think we are better off, all things considered, paying the penalties of our own incompetence as we go along, and meanwhile learning by experience.** Isn't it conceivable that we should get more out of business too, in the end, if we diminished its Kaiserism and increased its democracy?"

"The Illusions of Capitalism"

The interview between Graham, the strike leader and special "hero" of the book, and Logan Lyon, corporation lawyer, fills five chapters with rich material. Graham says:

"My quarrel is not with capital but with capitalism. To keep out of savagery, democracy must have capital as much as it must have food. Capital is as different from capitalism as water is from drowning. I mean by 'capitalism' a vicious principle of accumulation institutionalized, along with its chartered assumption that the procurers for the principle are foreordained to dictate the remaining destinies of mankind."

* * * * * * *

"Strip away from capital everything that is the spontaneous working of nature on the one hand, or the exertion of human energy on the other, and capital no more produces anything than the pyramids or the meridians.

"Take a bar of bullion in a bank vault for instance. It might lie there forever without adding a millionth part to itself. Nevertheless capitalism permits that bullion to be in Chicago, while the man

owns it lives in Europe, yet the owner may collect a percentage of its value every year, and pass on to his descendants the privilege of continuing the collection, till they have used up its equivalent over and over again; but the original claim to the bullion is as good as ever.

"This scheme has all the other con games beat to a frazzle. The only producers of wealth are nature and labor. When wealth is once produced, labor can use some of it as capital, in the form of support for workers, raw material, tools, etc., and thereby makes its co-operation with nature much more productive; but nature and labor always supply the power, while capital is merely the grist and the millstone."

* * * * * * *

"In 1783, Congress reimbursed Washington for outlays from his own means during the war in the sum of $64,315, not mentioning the cents. Suppose Washington had decided to set that sum apart forever as a scientific demonstration of the creative power of capital. Suppose he had secured an act of Congress permitting the amount to accumulate at the rate of four per cent, compounded annually. In the year 1913 if the metaphysics worked according to schedule, that modest amount of capital would have become $10,535,440, and it would then be only just starting on its career."

"But," pursued Graham, scanning Halleck and Lyon in turn to see how they were affected by the illustration, "we all know that the man in business who doesn't set his mark for profits as high as ten per cent is a chump. If he makes that much he passes as fairly successful. To count as a financier he has got to make his capital net much more. Now Washington is supposed to have been rather canny himself, and it would do injustice to his memory to assume that he would have been satisfied to leave posterity only a partial demonstration of a fundamental truth. While he was displaying the power of capital he would surely demand for it something like a decent share of its rights. Let us suppose that he compromised on a rate of ten per cent compounded annually. Then he would have provided subsequent generations with something like a respectable exhibit of the virtues of capital. Again assuming that there is nothing wrong in the metaphysics, the share of the wealth of the country to the credit of that investment would have amounted in 1913 to the somewhat impressive total of fifteen thousand four hundred and sixty-five million, four hundred seventy-four thousand, three hundred and seventeen dollars. Compared with any sum in the possession of a living money magnate that pile would be as a flagstaff to a walking stick."

Logan objected, "But no business man ever claimed that capital can roll up that way indefinitely."

It was Graham's turn to be cynical. "Will you kindly give me the address, Mr. Lyon, of any one outside of our holy economic hierarchy, who can invite his soul with the flattery that his theory of life is a howling success, when the best that can be said in its favor is that it has to break down completely in order to work at all?"

* * * * * * *

"But as I was saying: Whether capital is actually getting one rate or another doesn't affect the principle. We are exploiting nature, and producing wealth, and every time we turn a ton of goods into capital we add a corresponding amount to the fixed charges on the world's labor. Now where is this extra charge to come from? It can come from only four sources; first, new appropriations of nature; second, new technical processes; third, new labor efficiency; fourth, subtraction from someone's share in the product. Under present conditions, there is no doubt whose share it will be.

"If every scrap of surplus wealth had been consistently capitalized," he recapitulated, "from the wooden soles under the peasant's feet to the bullion in tyrants' chests, civilization would have been brought to a standstill before it was fairly started. We could no more carry out the theory of capitalism than we could make our industries pay a royalty on every breath we draw. We have got to find the theory that will turn the accumulations of the race to the reducing of fixed charges instead of increasing them. We are bankrupting the world just as surely by attaching an accumulative power to capital, as though we were levying a progressive tax on industry to remunerate the ocean for its uses to commerce."

"The Fallacy of Distribution"

Having signified the difference between capital and capitalism and proved that capital itself is necessary to production and progress while capitalism is an injustice and a hindrance, Graham proceeds.

"My second specification is that the capitalistic premises of distribution are as shifty as the mythology of production; that the premises of capitalism construe human relations as they are not, and that business and law compel acceptance of those premises by a conspiracy of force."

* * * * * * *

"The labor organization that you are fighting personifies humanity demanding the freedom of its functions. If human evolution has passed into its senility we may lose; but the workers of the world are its optimists."

* * * * * * *

"A theory of economic distribution which assigns an income to landlord or capitalist for any other reason than that which assigns a wage to the manual laborer—namely, that each after his kind is expected to be a useful worker, and when he meets the expectation is entitled simply to the fair wage of his work—is not merely a rape of justice, but an insult to ordinary intelligence."

"But," objected Lyon, "nothing can rob the capitalist of the merit of his abstaining from consumption of his wealth, or of his title to the reward due for reserving wealth as capital."

"Last stowaway aboard! Cast off your stern line!" jeered Graham with a burst of glee that was schoolboyish on the surface, but sufficiently drastic in effect. "Perhaps you haven't been noticing how I was rattling the pennies in my pocket while I was looking for that perennial 'pity-the-poor-blind-man' to turn up? 'Productivity' and 'Abstinence!' The Angel Twins of Capitalism! Whose soul is so congealed as not to be stirred to its depths by the privations of Avery stockholders, eating their frugal bread without butter, and their potatoes without salt, so as to have the means of taking up their ground-floor apportionment of the next 'good thing'!

"Mr. Lyon," moderated Graham, but with no less accusative sarcasm in his inflections, "that 'abstinence' gag is the most give-away specimen in the entire collection of capitalistic antiquities. It shows up your whole speculation of making wheelbarrow propositions cover aeroplane processes. When it was a question of wearing the old shoes another season, and getting a new saw to use in the shop; or between short rations through the Winter and seed to plant in the Spring, abstinence meant something large in the industrial process. But do you want me to believe that, since you stopped swallowing things as they were told, you are still taken in by the sanctimonious pretensions of 'abstinence' as a metaphysic of modern distribution? Couldn't you just as easily believe that Atlas carries the world on his shoulders, as that 'abstinence,' in the sense of self-denial, cuts any considerable figure in the case of large capital and modern capitalists? You know as well as I do that there would be no capitalistic problem if the only capital concerned were the kind that exists by grace of the self-sacrifice of its present holders. When you assume the contrary, your special pleading for capitalism makes a good pair with the Henry George argument that, because savages get their food without capital, therefore capital is not necessary to civilization.

"The capital that makes the problems is not the tool capital that its owners deny themselves necessities and luxuries to get; it is the finance-capital that its owners couldn't consume if they would—the surplus above all possible capacity of its individual possessors to use in any way except to procure them unwarranted power over their fellow men. Crediting anything to such capital on the score of abstinence is as far-fetched as defending winnings in a poker game and with marked cards at that, on the ground that they were earned by abstinence from work. If we were talking about constructive financiering, that hunts out unworked resources, and then gets together the capital necessary to develop them, I might go as high as you would in appraising the wage-earning value of that service. But for God's sake kick that canting hypocrite 'Abstinence' out of decent company, and give things their honest names! The place to discover the self-contradiction of capitalism is with those capitalists who have to lie awake nights to think out ways of anchoring their capital so it won't drift away with the next tide. Stretching your metaphysics to cover them is like calling it 'abstinence' when the boy hanging around the rear of the grocery doesn't walk away with a hogshead of molasses in his stomach."

"The Superstition of Property."

Continuing to grill the corporation attorney with his logical argument and beginning to convince him, too, almost against his will, Graham changed the course of his remarks toward the channel of socalled "property rights."

"The property basis of economic distribution is a burlesque of justice and the only sure approach to distributive justice will have to be on a service basis."

* * * * * * *

"Everything fair and reasonable in property would be affirmed and strengthened if it were readjusted on the service basis. Everything obstructive and abusive and perversive in property is protected and instigated by the satanic negation of humanity in our capitalistic mythology. Business won't stop and justice won't disappear, and human progress won't halt, when we retire the sardonic old lies I have been talking about—that capital produces, and financiering manipulation is abstinence, and having some wealth confers an inherent right to more."

* * * * * * *

"In the system of distribution that the realities of life will finally sanction, everybody that contributes to the values of life will finally get a share, and for the good and sufficient reason that he contributes to those values. If any one gets a share that does not so contribute, it will be either because the social scheme has broken down enough, at the point where he occurs, to be defenseless against his brand of thieving, or because he comes in on some minor qualifying clause that needn't embarrass the main argument. You have no fear coming that anybody, from the bank president and the captain of industry down to the scrub woman, will be thrown out of a job that really contributes to the values of life, or will lose the pay that belongs to the job. But our present theory of distribution is an unmixable fluid, made up of unequal and variable parts of the oil of wages and the water of bonuses. The process of squeezing out the water that is going on in the world of practical finance, has also got to go on in the theories behind the finance. When the process is complete, nobody that helps the world along will be short of his equity in the process. Only the polite hangers-on will find that they've either got to starve or go to work."

* * * * * * *

"On the other hand, property is a sort of privilege that can be saved from abuse only when it is controlled by infallible moral perceptions."

"If I had a dollar, and I lived in a society that did not maintain property, instead of having my hands free to work for another dollar, it might cost more strength and worry to keep the first one than it did to get it. Property is the privilege of falling back on our neighbors' help to defend us in possession of what rightfully belongs to us. When all of us see that the only way to keep all of our hands untied for profitable work is to stand by one another in guarding what our work has gained, each of us has the benefit of a privilege that is equivalent to the work of a big machine added to our feeble labor power. When my neighbors pledge themselves to guard my dollar, they are my servants, and I may put in my whole strength getting another dollar, or I may do what I please until I need my dollar.

"But capitalism has actually made us believe that, instead of owing my neighbors something for their protectorate over my dollar, they are bound to pay me something for allowing them to act as my private watchmen! I would rather lounge in the shade than hoe corn; so I turn over the hoe that I have bought with my dollar, to my neighbor Jones. All my neighbors go on his bond as surety for the hoe, and he becomes the agent of my neighbors in guarding the hoe. When the season is over, if he doesn't do it of his own will, my neighbors close in on him with their property laws and make him return not ony the dollar which I put into the hoe, but ten cents more to compensate me for doing my work. In other words, our capitalistic system is the great original Tom Sawyer getting his fence whitewashed!"

* * * * * * *

"The most stupendous deception ever lodged in the minds of men is the uncontrollable element in capitalism's disrupting force. It is the incredible hallucination that absentee ownership can entitle a man to levy tribute on the fellowman who stays by the stuff and makes it useful for human purposes. The reality of this moral upsetting has been hid from the wise and prudent, but it is dawning on babes. Capitalism and its intellectual panderers refuse to see it; but all that is human in men is beginning to feel it; and installing the truth in place of this cynical perversion is going to be the work of the next great era."

* * * * * * *

"Wage and cost of the service are the only proper fixed charges for economic goods, whether supplied by landlord, capitalist, manager or laborer. Capitalistic inflation of the rent, interest, profit, and salary elements of distribution, in excess of the price necessary to cover these charges, is the only anarchism which modern society has seriously to fear. There is no compensating social function to which this graft corresponds. Capitalism standing by Have in forcing hold-up money from Have-not, is the most misanthropic enemy left in the patch of socialization."

* * * * * * *

"The minutes contain no record of anything passing from mouth to mouth faster or farther since the world began, than knowledge of the misworking of capitalism among the plain people. They don't have to twist their minds around theorists' ways of telling it. They know the facts; and their instincts are growing truer every day about the sort of leadership that fits the facts. It isn't a question any longer whether the majority can be roused against capitalism. The question is how to keep them from being too much aroused, and by the wrong people. The straight line has never been the path of society on any long route, and it wouldn't pay to waste regrets over the unlikelihood of an exception in progress from capitalism to humanism. The costs of all kinds will be kept down though, and the readjustment will get into running order with least loss of time, the sooner men whom capitalism has trained to manage large affairs sign up the policy of the future and give it their loyal service."

* * * * * * *

"The world's wage-earners are today in the situation a farmer would be in if a manufacturer of farm implements had the legal right to decide how much of the annual crop should be invested in his goods. The interest of the farmer is to invest his surplus so as to do the most for the comfort and happiness of his family. The interest of the manufacturer is to get as much as possible of the crop as dividends on his capital. If the farmer is free to act for his own interests, he may make foolish investments, but in the end he will probably look out for his family better than he would if the manufacturer were free to make him turn his whole surplus into machinery, regardless of the comfort of his family. The advantage of capital in the capitalist system tends to become a strangle-hold of the something-for-nothing parties in distribution, upon all the other claimants to a share in the output."

* * * * * * *

"Every man that joins in making nature productive, or people happy, whether he hoes cotton, or assembles capital or composes music, deserves his pay for his work. But that is all wage. It isn't interest nor profits in the capitalist sense.

"But the main point is who shall put the valuation on the different kinds of work? Under our system, within certain limits, of course, capital can fix its own wage and that of labor too; besides having the power to distribute hand-outs by the million that are not wage but rake-off. In a fairly rational system all the people who did the work would be represent-

ed in deciding how the product should be distributed."

* * * * * * *

"You can't make it too strong for me that civilized men need capital as much as they need land. Capital in itself, and humanly used, is an unmixed good. Capitalism is an inhuman use of capital. Capitalism has turned capital into a gigantic beast of prey that grows by what it feeds on; while the actual workers have to go without the food it consumes."

* * * * * * *

"A FAITH IS DIFFUSING THROUGH OUR GENERATION, AND IS FAST WINNING ALL BUT THE MEN WHO HAVE SOLD THEIR SOULS TO THINGS, THAT THE MEANING OF LIFE IS THE SURVIVAL OF TYPES THAT ARE SUPERIOR IN ALL 'ROUND VALUES, NOT MERELY IN BRUTE POWER. IT IS FAITH THAT THE WORLD BELONGS TO THE WORKERS, AND IN PROPORTION TO THE MERIT OF THEIR WORK. IT IS FAITH THAT OUR GOVERNMENT AND OUR BUSINESSES, AND THE ONE NO MORE NOR LESS THAN THE OTHER, ARE MERELY MACHINERIES TO FURNISH THE MEANS BY WHICH THIS PROCESS OF HUMAN TYPES MAY PROCEED. THEY ARE NOT ENDS IN THEMSELVES, ENTITLED TO TAKE TRIBUTE OF HUMAN SACRIFICE FOR THEIR SEPARATE SATISFACTION. THEY ARE WORTH WHAT THEY ARE WORTH AS VALETS OF MEN DEVOTED TO [illegible] PURSUIT. IT IS FAITH THAT CAPITAL, WHICH A PAGAN FAITH WAS BINDING AS THE CUMULATIVE BURDEN OF THEIR SERVITUDE UPON MOST MEN'S SHOULDERS, IS TO BE SANCTIFIED AS A MEDIUM OF HUMAN REALIZATION. FROM THE MASS OF MEN WHO HAVE ONLY INARTICULATE FEELINGS OF THIS FAITH, TO THE FEW WHO SPEAK SOME OF ITS SIMPLEST WORDS, AND HERE AND THERE THE ONES WHO HAVE THOUGHT IT THROUGH AS A PHILOSOPHY, IT IS MARSHALLING MODERN MEN IN A NEW MIGRATION TO A PROMISED LAND."

THREE-FATAL-FLAWS

Dr. Small's Powerful Principle Balks at His Futile Plan

Further Discussions of "Between Eras" Reveals Its Egregious Inconsistences

Be it known to those who have not yet read "Between Eras" that the whole discussion of the book turns upon the relation of capital and labor. A great strike was undertaken against the "Avery Company," not for increased wages, a shorter work-day, nor better sanitary conditions, but to place a representative of the wage workers on the Board of Directors to have a voice and vote—one against all the rest—in affairs of the Company. After a long strike, during which the "Avery Company" was about to lose its business opportunity and be crushed by the competition of a powerful rival, a compromise proposed by the preacher Halleck was adopted as a basis of settlement. Presumably this memorandum of Halleck fairly expresses Dr. Small's idea of what should be the relation between employers and employes; and, therefore, to understand his position, which is similar to what is becoming common ground for other earnest reformers, the reader must carefully consider the various propositions of the memorandum separately and also as a whole:

MEMORANDUM OF A BASIS OF AGREEMENT BETWEEN THE AVERY COMPANY AND ITS EMPLOYES

1. The Company acknowledges the principle that work in its employ creates an equity in the business.

2. Since no more exact way to calculate this equity has been discovered than the adjustment secured by established business practices, the Company holds that the only practical method of giving effect to Clause 1, is co-operation between the Company and its employes in discovering how the operations of the Company may more closely apply the aforesaid principle.

3. To that end the Company agrees to designate a standing committee of conference, to act with a similar committee of employes, in taking into consideration all the affairs of the Company, particularly everything affecting the interests of the employes, and from time to time to propose modifications of the general policies of the Company, whenever the conferees are able to unite on recommendations which in their judgment would tend better to protect all the interests concerned.

4. The Company agrees to accept any method, satisfactory to the employes, of constituting the membership of the employes' committee; provided only that all such members shall be on the pay roll of the Company.

5. The Company agrees to instruct its committee to co-operate with the employes' committee in working out specifications of the kinds of information about the affairs of the Company which shall be put at the disposal of the committee, together with the rules which shall govern access of the committee to this information, and its transmission to the body of employes.

6. The Company agrees in good faith to co-operate with the employes in carrying out the spirit of this agreement, by adoption of details which experience may from time to time show to be necessary in order to give it full effect.

7. As rapidly as the different departments can employ their full force, the Company agrees to restore all its employes to the places which they held before the strike. Preference in reinstatement will be in accordance with length of previous service.

8. The Company agrees to put its employes as far as possible in possession of the tenements which they occupied before the strike. If this is not feasible, the Company will extend its building operations so as to provide rents for all employes who desire to occupy the Company's tenements.

9. The employes agree to return to work as soon as these terms have been accepted by the Company and by the strike organization.

10. The employes agree upon returning to work, to sign individual contracts not to join in a strike against the Company for a term of.....

11. The employes agree to join in constituting and controlling an employes' committee, as provided for in Clauses 3 and 4, and to make that committee their medium of communication with the Company.

As Dr. Small said in his letter: **"The principle that industrial partnership is to be commensurate with industrial function is the most radically constructive idea in sight."** Pushed to its logical conclusion it is but another form of the well known Socialist doctrine that **"the workers should own their jobs and receive the full social value of their product."** But as stated in the memorandum of Halleck, presented by Dr. Small as the solution of the problem of the right relation between capital and labor, it reveals three fatal flaws. **Separated from these the principle is sound, but with these flaws attached to it the principle itself is nullified. As the dominant principle, it means real democracy, so forcibly plead for in the book; and its realization would be equivalent to Socialism unadulterated.** In connection with the plan of settlement proposed in the memorandum **"it is vicious in principle and powerless as a remedy,"** as with profound respect for the author's scholarship, character and position, we shall endeavor to show.

Thus applied it would not destroy capitalism and establish industrial democracy as the author seems to think, but would, we believe, merely evolve capitalism to a new phase and place it upon a firmer foundation.

The three fatal flaws in the remedy proposed for the terrible social disease of capitalism, though different in aspect, are similar in character, and reveal the fact that the "remedy" like many a quack nostrum of materia medica, is not intended to eradicate but to perpetuate the disease. That is, if the proposed remedy were applied it would not destroy capitalism but merely change its form, afford some people a slight temporary relief, and give it a new lease of life.

(Of course we do not mean to accuse Prof. Small of deliberately intending to present a quack nostrum for a social ill so ravaging. Many a wise and diligent savant seriously proposes medicines that fail before finding the right one. Dr. Small's relentless and approximately correct diagnosis of capitalism as the most dreadful social disease proves that he is making rapid progress in spite of the many weights that hinder. And we bid him God-speed.)

1. Group Capitalism

The plan proposed is **group capitalism**, not industrial democracy. It merely organizes the "Company"—one or a million of them—in a very unsatisfactory sort of **internal co-operation** whose members have "one common interest only"—**to exploit the outside world by the regular methods of capitalism, and one everlasting "bone of contention" inside—to obtain each for himself a larger share of wages, dividends and "influence."** It merely means to enlarge the Company so that it shall include its own workers in a small measure of the management and profits, sustaining the same old poisonous profit-making relations with the exploited people outside.

There is no provision for the public, the consumer, to get any benefit from this new form of capitalistic company; and the incentive for the Company to make large dividends by exploiting the people would be as great if not greater than before.

Even if every business, including farming, were to adopt this method, **without a strong government control in the hands of watchful citizens, methods of public exploitations, bitter group rivalries, and endless commercial intrigues would continue. But when "government control" in a political democracy is introduced a long stride has been taken toward the only real solution—collective ownership, which is Socialism.**

And without drastic government control limiting the number of companies and estimating the needful output, **the direful waste of competition, one of the most appalling evils of capitalism, would continue.**

The idea of "voluntary co-operation" between the "Company" and the "hands" is becoming popular even with some business men, who, much against their will, feel that it has become imperative to adopt some reactionary "reforms" as a breakwater against the rising tide of Socialism. But how a man of Dr. Small's unquestioned scholarship and world-wide vision of human need, **in the face of his ringing denunciation of capitalism as such, and with his knowledge of the world-wide accumulating power of Socialism,** can content himself by proposing so weak and vicious an application of his great "principle" is a mystery.

Even the splendid co-operative associations of the working people in Europe and the "model tenements" and other worthy reforms of many European cities, as Charles Edward Russell so convincingly points out in his "Uprising of the Many," scarcely touch the evils of capitalism with regard to the upper two-thirds of society and **do not even approach the problem of unemployment and social wreckage which submerges ever one-third of the people.**

It will not do to place a new patch on the old garment. Such reforms as Dr. Small proposes are futile. Society must have a new suit of clothes. And the excellent "new wine" of Dr. Small's book must "break" the capitalist "bottle," not remodel it. The world has had enough of capitalism, let us not seek merely a new form of it.

Group capitalism might be harder to overthrow than the present form, because of the seductive delusion, whose power is well under-

...ness schemers, that if the ...and Smiths who do the work for the ...peLacies are allowed even a ridiculously weak voice in the Company management and even a shamefully small share of the spoils they would be more likely to submit peacefully to the general capitalist regime of public robbery, and robbery of the workers.

The laws being proposed by the French Assembly—to compel firms to take their workmen into the Company under government supervision, and to furnish capital for co-operative business by bakers and other workingmen, are far better than the "voluntary" plan proposed by Dr. Small; **for government control, by force of circumstances that neither politicians nor business men can permanently thwart, soon evolves into government ownership.**

The only way to overthrow capitalism and the evils thereof is to establish an industrial democracy—as Dr. Small so ably argues; and the only way to do that is through public ownership (not by "co-operative" private ownership) of the natural resources and the machinery of production and distribution. **If it is wrong for capitalists as such to make profit, as Dr. Small insists, then we must abolish capitalism, not reform it, to establish justice.** The people themselves must become "Masters of the Bread."

Dr. Small seems to be obsessed with the flattering delusion that he can persuade the capitalists themselves to lead the social revolution toward industrial democracy. The appeal of the book appears to be directed toward the generosity of the employers, partly to free their ill-paid, suppressed wage slaves, not to the manhood of the workers urging them to arouse themselves, assert their power and unite to take their destiny into their own hands and so achieve for themselves their freedom. And this is one of the learned Doctor's most fatal errors. A very few rich men may support Dr. Small's plan, but "not many mighty men are chosen."

And this proposed group capitalism—leaving out Socialistic government control—not only fails to provide salvation for the workers, but also leaves the business men themselves yet in the mire of hopeless difficulty. The developments of capitalism in this age of machine production and distribution have brought business itself into hopeless confusion. **More than ninety per cent of the business men fail.** The others, except a few monsters who prey upon the lesser beasts, are almost worried to death. They can not "keep the pace." They can not protect themselves and maintain their credit. The money market tightens. Banks are forced to refuse loans. Constant strain turns the hair of business men gray, and many become insane or die of heart trouble. **And the lives of most of them are spent in drudgery and imprisonment in their stores or offices, without the freedom from care and comfort that inmates of penal institutions enjoy.**

Business men can not even save themselves, much less the workers. **The government must come to the rescue of business men. Industrial democracy, collective ownership and management of production and distribution alone can free both business men and working men from the horrors of capitalism.**

It is only by government help—special legislation for them as a class and government loans to them, that business men are able to keep going at all. **And we insist that the government should provide for the workers as well as for the business men** by taking over the whole plant of civilization and running it for the equal benefit of all. Of course this would be Socialism, but "it is the only way out of the wilderness" into that "promised land" of which our author so convincingly speaks.

2. The House Divided

The only manner in which the principle that "industrial partnership is to be commensurate with industrial function" can be applied is through an industrial democracy, not by means of "a house divided against itself," such as Dr. Small proposes in this new form of capitalism.

Note that while the book preaches industrial democracy as the only sure antidote for capitalism, his plan proposes something quite different. The company, meaning of course the few owners of the capital stock, are to be arrayed on one side, with the multitude of employees who actually do the work arrayed on the other; and, like two beligerent armies resting for a moment on their arms, each side is to be represented by a committee to propose means of settling difficulties.

At best this is but a temporary armed truce in the class war. Not only are the capitalists as such recognized as entitled to the lion's share of what Dr. Small elsewhere so emphatically declares they have no just right to, but the class struggle between capitalists and producers is so clearly recognized that a permanent standing committee is required to represent each of the two conflicting sides! Thus the workers may have in wages, hours, conditions and dividends only what the benevolent capitalists permit! Truly this is a far cry from the industrial democracy so eloquently urged by Dr. Small.

Until all are excluded from salary or dividends who do not actually perform useful labor, until all "unearned increment" from capital is denied, and until each worker has an equal vote with every other member of the Company in the management of the business it would not even be industrial group democracy! Yet Dr. Small makes even his corporation attorney say:

"The fact is, since we are all men together, and not some men and some things, I can see no maintainable reason why putting ourselves into the making of a business doesn't create, for all of us alike, a right of suffrage in the management of the business."

3. A Destructive Plan

The Ethiopian lurking among the piles of lumber is clearly revealed in the first, fourth and tenth paragraphs of the memorandum.

"The Company acknowledges the principle." The employees shall not be permitted to have anyone on their committee who is not **"on the pay roll of the Company." And "the employees agree upon returning to work to sign individual contracts not to join in a strike for a term of . . . ."**

How beautiful! The "Company" condescends, being forced by a successful strike, to acknowledge a self-evident principle of justice; but the "Company" will not surrender its power, cease to collect unearned increment, nor permit its workers to have anyone on their grievance committee who is not "on the payroll of the Company" **and therefore under Company influence and fear of losing his job;** and the "Company," not loving labor unions because they sometimes make Companies do a little better then they otherwise would, and because they develop class consciousness and inspire workers to seek for industrial freedom, **requires the individual employee to sign away his powerful privilege of joining with his fellow workers in a strike for better conditions!**

Thus Dr. Small's plan plays directly into the hands of the very capitalists whose methods he condemns **and strikes the most vicious blow at the cause of labor that is possible,** unless it be to deny the ballot to workers.

The mightiest force for progress on this earth today is organized labor. The union of the workers on the industrial field, and on the political field by means of Socialist and labor parties, has forced the governments of Germany, England, France and other countries to grant many reforms which otherwise never would have been enacted.

And the growing power of "collective bargaining" on the part of the workers, both on the industrial and political fields, has cost too much and it is too valuable to be bartered away for the small mess of pottage which "the Company" would be likely to grant—after the workers are isolated from their powerful, general union.

And the chief object of such "crumbs" of "profit sharing," etc., as capitalist retainers have proposed during recent years has not been to benefit the workers **but to separate them from their mighty general labor organizations and render them helpless by isolation.** Now if Dr. Small had only required also that the employees pledge themselves not to vote either the Socialist or Progressive ticket, but to "standpat" and trust to the benevolence of "the Company"—the gentlemen "whom God in His infinite wisdom" has given control of the wealth of the nations as His (unfaithful and thieving) stewards, his plan would have been complete.

Of course Dr. Small does not intend to betray labor with his plan. Doubtless he desires the complete emancipation of all mankind in every way. But, as the capitalist is obsessed by the "superstition" that somehow capitalism with all its crimes and miseries is ordained of God, the typical preacher and teacher, trained in the nursery of capitalism, educated in its schools, and supported by its "crumbs," feels that above all he must protect capitalism from the only thing it really fears, or has reason to fear—**A UNITED WORKING CLASS—united in the general industrial union, united at the ballot box, and, if need be, united in general strike, or general insurrection.**

To break up the solidarity of the working class which is generally increasing and which is the sole hope of freedom, for the sake of a petty and fore-doomed-to-failure profit-sharing scheme would be the worst calamity that could befall humanity in this age.

It is for these three reasons—the nefarious group capitalism proposed, the plan to divide the advisory privileges between the employees and the Company leaving the actual power all in the hands of the Company, and the scheme to nullify the power of general working class union and **so to safely enthrone the "Company"**—that we must repudiate completely the plan of settlement proposed in the memorandum. It is less defensible by far than the commonly talked plan of profit sharing—**except that the class lines so clearly drawn inside the new group would be certain to develop hopeful discontent and conflict in due time.** The class struggle may not be so easily ended.

DR. SMALL CONDEMNS HIS OWN PLAN

We would not be misunderstood as assuming the attitude of carping criticism. Dr. Small's book is one of the most illuminating and stimulating contributions to the subject of capital and labor that has appeared in many years. It will perform an immense service to society. But in our opinion his correct and terrible arraignment of capitalism and his principle of adjustmnet already repeated in this article make the plan proposed in the memorandum appear ridiculously weak and inconsistent. If his condemnation of capitalism is just, then his proposed group capitalism—**with the Company holding the whip hand and the employees robbed of their power to go on a strike aided by their fellow workmen in general**—is quite preposterous.

Industrial and political democracy can never come by concessions small or great granted by the "generosity" of the robbers who have by force or fraud possessed themselves of the wealth produced by labor. Democracy can only come through the assertion by the productive workers of their rights and by the exercise of their power as a UNITED, CLASS CONSCIOUS BODY. The reason for this is simple—true liberty can only be **achieved.** It can not, from the very nature of the case, be **granted.** And the workers compose more than nine-tenths of the people. When they realize their needs and their power, and not till then, the social revolution will come to banish capitalism and enthrone the people—who are the workers.

Capitalism and democracy can not both rule at once. "A house divided against itself can not stand." Dr. Small himself presents this view and condemns his own proposal to nullify the general labor organizations in the language of his hero Graham's speech:

"New times, new tasks! It has been more than a generation since the people of this country asserted themselves. **The call is sounding now for a new exertion of the people's power!**

"The next great task for the people is to make it impossible for too few men to control too much of the earth!

"With all its resources the world would be a wilderness without human labor.

"All the human labor that is concerned in turning the wilderness to human use is entitled to pro rata influence in controlling the results."

* * * * * * *

"The world is a castle, provisioned for the longest siege it will ever have to endure. The

officers have got control of the supplies, and are turning them into dollars for themselves, instead of holding them subject to the needs of the garrison."

"If the garrison were disposed to be ugly," muttered Lyon, "that would be a nasty report to circulate. The safety valve for that kind of over-pressure, however, is our American fiction that we're only temporarily in the rank and file, and in a day or two our turn will come to be officers."

* * * * * * *

Grahm continued:

"Every democracy is a union of people working a certain plot of ground on shares.

"Our nation is simply a big ranch started on the co-operative principle, and branching out into diversified industries whenever they are demanded by the needs of the ranchers.

"The ground plan of a democracy is that all share in the profits of the co-operation shall be paid for in work, and that no one shall have any rights that he does not earn.

"Any ranchers that are content to stand by and see that ground plan perverted, are not democrats but degenerates!"

* * * * * * *

"Let me sketch a picture. I will use neither the darkest nor brightest colors, but the lines will be drawn from real life.

"On that side are a brother and sister. They were born in a good home. Father and mother were industrious, virtuous and happy. They did their best to give their children a start in the world. They guarded their health and fed them with wholesome food and sent them to school, and taught them to love fairness and fidelity. But these parents had to work hard, and as soon as the children were of legal age it was necessary for them to begin earning their own support. The boy went into a trade. The girl began at the bottom in a big store. They were good workers. **They were always worth more than they received. But to the end of their lives they never had a right to the next day's work.** Their employers could discharge them if they pleased, and after they had used up the little savings that they could lay by from their meagre pay they would have only the right to take their chances between employers and other competitors for the same jobs.

"On this side of the picture are another brother and sister. Before they were born their father had come into control of enormous wealth. From babyhood they were watched and served and amused and petted by relays of physicians, and nurses, and governesses, and flunkeys. They were supplied with all the luxuries that money could buy. They were housed in private palaces, and had private parks for their playgrounds, and were carried in private cars, and entertained on private yachts, **and even favored by private legislation.** When they came of age they had never known a thought of any one's comfort but their own, and they had no intention of expending effort except in catering to themselves. Yet, in the same democracy, founded on the law of one and the same justice for all, this useless and effortless brother and sister are guaranteed a lifelong privilege. **They have the vested right of wasting on themselves every year as much as a thousand brothers and sisters of the other type, working with all their might, can ever earn as their annual wage.**

"This double picture is a snap-shot of the whole labor problem.

"Everything that capital and labor are fighting about turns on the decision of one question.

"Capitalism asserts that these do-nothing spenders are right. Democracy declares that these do-nothing spenders are wrong.

"The conflict is eternal until we remove the contradiction!"

* * * * * * *

"ORGANIZED LABOR IS THE ATTORNEY OF DEMOCRACY BRINGING ACTION FOR ADJUDICATION OF THE QUESTION BEFORE THE MORAL JUDGMENT OF THE WORLD."

* * * * * * *

"BUSINESS IS THE REIGN OF CAPITAL. DEMOCRACY IS THE REIGN OF THE PEOPLE."

"Underneath all the details of the labor problem is this radical issue: **On the one hand, Capitalism decrees that capital shall fix the destinies of people; on the other hand, Democracy demands that people shall fix the destinies of capital.**

"Between these two principles the conflict is as irrepressible in modern society as war between the principles of state, sovereignty and nationality was in American history.

"THERE NEVER CAN BE PEACE BETWEEN THESE TWO PRINCIPLES TILL ONE HAS SURRENDERED TO THE CONSTITUTIONAL SUPREMACY OF THE OTHER."

* * * * * * *

"In the clash of arms, neither fighters nor observers may always be able to see the whole meaning of every minor movement. If we ever lose our bearings in this campaign, we shall find them again by going back to first principles. **Organized labor has enlisted for the war, and so long as the war holds on, and whatever its shifting fortunes may be, our object, first, last and all the time, is to suppress the sovereignty of capital, and to establish the sovereignty of the people."**

* * * * * * *

"CAPITALISM MAKES A FARCE OF DEMOCRACY!

"Capitalism is disfranchisement of the hardest working partner in the business!

"CAPITALISM MAKES DOLLARS DOMINEER OVER MEN!

"DEMOCRACY DEMANDS THAT MEN SHALL BE MASTERS OVER DOLLARS!"

* * * * * * *

"In a word then, the aim of organized labor is the triumph of Democracy over Capitalism. The system by which we shall fight to suppress the tyranny of Capitalism will be removal of the restricted representation dictated by Capitalism, and substitution of proportional suffrage of all the interests concerned!"

* * * * * * *

"We refuse to co-operate any longer on terms that give the lion's share of benefit to the men whose hardest work is watering the kind of stock they breed in Wall street!"

* * * * * * *

"THE WORLD BELONGS TO THE WORKERS! WE ARE FIGHTING FOR THE DEMOCRACY OF MERIT! HE SHALL RANK HIGHEST AMONG US WHO DOES THE BEST WORK!" * * *

* * * * * * *

Commenting with Edgerly on Graham's address and remarking the slowness of people to put into practical effect the truths they know, Logan says:

"A derelict truism is a mighty serious menace to navigation."

* * * * * * *

"We should have had the New Testament under life sentence to solitary confinement long ago if it had got freedom to assert itself literally. There's no disturbance in the folk-lore that 'God is the Father of us all,' so long as the rest of the legend runs that 'God hands out all the good and evil of our lot, just as they come.' There's nothing to do but to submit. **IT'S AN ENTIRELY DIFFERENT AFFAIR IF WE READ BETWEEN THE LINES THAT NOT THE JUSTICE OF GOD BUT THE CUSSEDNESS OF MAN GIVES SOME OF THE CHILDREN THE APPLE AND THE REST THE CORE. WITH THAT VERSION BEFORE THE PUBLIC, TO REMIND OURSELVES THAT WE ARE ALL ONE FAMILY SPELLS REVOLUTION.** The startling thing about these platitudes of Graham is that he means them. They are not mythology. They are items that he proposes to figure into future Avery Company contracts. **When they are pious figures of speech they are bread pills. As straight business propositions they are bombshells.** It remains to be seen whether they have force enough to break into the system."

* * * * * * *

"Business is essentially partnership. But business today recognizes the partnership element only at the stock end. In its ownership and operation it is a few men making plans and using a great many more men as tools. **When we get down to the real facts, we find that these men who rate as tools of the trade have a larger stake in the business than most of the men who own the stock. For the operatives the business is life.** For the stockholders the business is only an incident of life. Yet the stockholders or the financiers behind them have the long end of the rights, while the workers have chiefly duties. It turns out that [illegible] cupying the castle in the air today, while [illegible] like Graham are getting their feet planted on the ground. **There is neither rhyme or reason in a few people taking possession of the world's opportunities, and issuing notice to the great majority, 'You may stay on the earth just as long as you can make yourselves useful to us by obeying our orders.'**

"Exploiting the opportunities of the world is a co-operative process. The scale of title to the results of the process is bound to be wrong, if it is calculated on the idea that some of the people engaged in the process have proprietary rights in the process while others have not.

"If we were not doing business under an optical illusion, we should see that **ownership of opportunity in the world is usurpation, unless it is universally distributed.** Every man born is an authentic copy of nature's passport to join in the processes of life, and to enjoy all the rewards and emoluments in the ratio of his own contribution to the common enterprise. The only just limit is the right of everybody to share on the same basis."

"Between Eras" reminds me of a picture tacked on grandfather's wall when I was a little boy. It showed a gentleman dressed in the gaudy style of England during the last century riding a superb horse in the hunt. He had ridden at full speed toward a wall immediately beyond which was a wide ditch filled with water, intending to make the horse leap both wall and moat in gallant style. But the horse had a different idea, and, coming at full speed to the wall, he braced his forefeet and stopped suddenly. But the rider could not stop so abruptly, and so he went sprawling through the air over the wall to fall kersplash in the water!

Dr. Small has ridden his grand "principle" swiftly, powerfully all through the book; but it refuses absolutely to "take" the wall of his "plan," and balks short, leaving the distinguished professor sprawling confusedly in the air to fall into the muddy ditch of his own inconsistency. **He has made too strong a case against capitalism to satisfy his "principle" (or his readers) with his "plan."**

The wall and the moat were needless, artificial obstructions to the horse; Dr. Small's plan is a needless, delaying, unnatural hindrance to his principle. It is forced to balk and give its rider a disconcerting "header."

But the gallant author may be able to console himself with Emerson's trite remark: "Consistency is the vice of little minds:" for it is evident that, paradoxical as it may seem, Dean Small's mind is not small—nor his "plan" consistent with his "principle."

It is because we have not "underestimated the carrying power" of the principle that we appreciate the book so highly in spite of the plan proposed. **The principle will soon carry the people so far beyond the plan that they will laugh at the plan as a joke on Dr. Small.** The plan would prove to be as harmless to Capitalism as an old empty musket; **but the principle is loaded with social dynamite vastly too powerful for the weak, rusty gun—and it will explode some day.** Then it will be useless for Dr. Small to attempt excusing himself to his capitalist supporters by the plea that he "didn't know it was loaded." They will probably insist that he did.

NOW IS THE TIME

On and after October 1, 1913, **next month,** the price of the **Christian Socialist** will be **$1.00** per year. We are compelled to raise it. Therefore **this month** is your last chance to get new subs or renewals at the old price, 60 cents per year, or two for $1.00.

"The good old summer time" is a mighty bad time for socialist papers. Help the **Christian Socialist** by sending a few subs **now.**

STUDY SOCIALISM

Until you have done this you cannot work for it intelligently. Read these books in the order named, and you will do clearer thinking and more effective talking.

"Revolution."—Jack London.
"Introduction to Socialism."—W. A. Rutherdam.
"Talks on Economics."—Lewis H. Morgan.
"The Class Struggle."—Karl Kautsky.
"Socialism, Utopian and Scientific."—Engels.
"The Communist Manifesto."—Marx and Engels.
"Value, Price and Profit."—Karl Marx.
"Industrial Unionism."—Eugene V. Debs.
"Socialist Landmarks."—Stewart and Kaltenborn.
"The New Socialism."—Robert Rives La Monte.

For ONE DOLLAR we will mail you these ten books containing 670 pages, and will also send you the *International Socialist Review* for six months. The REVIEW is the largest illustrated Socialist magazine in the world. Fifty thousand progressive workers watch for it eagerly each month; so will you when you have seen it. Send $1.00 today for the books and Review and begin studying Socialism. Address CHARLES H. KERR & CO., 118 W. Harrison St., Chicago.

Dean Small Confesses and Protests

A Striking Letter From Him

EDITORIAL COMMENT

Notwithstanding the prohibitory expression in the first paragraph of the following letter, we present it to the public, because of its intrinsic merit and interest, and also because, in a letter written afterwards, Dr. Small consented to its publication. This communication reached us after the article "Three Fatal Flaws" was in type.

From this letter, it is quite evident that Dr. Small did "know it was loaded." There are so many statements in the letter with which the real scientific Socialists will agree, that we can but rejoice at their clear utterance by a man so scholarly and influential as Dr. Small. The sentences with which the well-informed Socialists will most emphatically agree have been set out in blackface type. These passages are most inspiring bugle blasts of sociological truth and duty, and prove that we have not claimed too much concerning the essential underlying Socialism of the author's arguments:

My Dear Sir:

Replying to your note received yesterday, I would say in the first place, that this is a personal note to you, not for publication. Not that I am unwilling to say in public anything that follows, but after a man has inflicted on the world a 400 page book he cuts a sorry figure if he cannot subside for a while and let other people do the talking.

I like to be in agreement with other people as well as anybody, but I like also to have people who do not agree with me put their differences into the plainest English they can use. You were more appreciative of **Between Eras** than could ordinarily be expected from a man of your standpoint, and it would be yellow of me if I should object to your hitting out from the shoulder over real issues between us. I want to make my view about social wisdom a little plainer, however, than I had occasion to do in working out the plan of the book.

To begin with, it would clear the atmosphere greatly if all thinkers about social problems—Socialists and non-Socialists alike—would form the habit of drawing a sharp line of distinction between what I may call for convenience **the sociology of Socialism** on the one hand and **the program of Socialism** on the other. **At bottom only two sociologies are possible**—materialistic and humanistic—**the interpretation of life on the assumption that things are paramount, and the interpretation of life on the assumption that developing spiritual human beings are paramount.** Now, it is a fact that wherever the latter assumption is adopted there is a tendency towards consensus about the workings of human institutions; what the principles are that express their well-workings, and what the practices are which fall short of realizing those principles. This consensus is to the effect that **our present capitalistic civilization will eventually rank with earlier and cruder civilizations as one of the stages in evolution out of barbarism.**

Of course people start from different points of departure, they are handicapped by different interests, they are hemmed in by different conditions, and they accomplish in a lifetime different amounts of progress toward a result that is beyond the reach of all, but approached more nearly by some than by others. In the rough then, **the sociology of Socialism is the same sociology which every one in the small contingent of serious thinkers in the civilized world has been gravitating toward, who has adopfed consciously or unconsciously the major premise that life must be looked on primarily as a moral affair, and not primarily as an endurance contest in the chase for wealth.** The whole body of economists in Germany since 1871 make up the most striking evidence in point. The majority of the economists in this country would be equally pertinent evidence to the same effect, if they could be induced to withdraw their attention long enough from matters of economic technique to express their non-professional convictions about the subordination of economics to morals.

This being the case, I think it is a blunder on the part of thinking Socialists to put themselves in antagonism with people who have actually begun to follow the moral thread through the maze of social interpretation, but have not gone as far as the Socialists have. Good tactics would be rather not to open fire on the rear guard, but to give it all the freedom possible to catch up.

But this is not my case against you. I am not a Socialist; not because the sociology of Socialism differs essentially from that towards which all candid and competent social thinkers are tending, but because the program of Socialism calls for a break with rational psychology. **It is rudimentary psychology that no self-governing group can change its customary actions suddenly before a working majority of the group are in sympathy with the change.** When you say my conclusion is "sickening," I am not quite sure of your meaning. Do you intend to imply that the book would have been a more real book, that it would have more accurately represented social factors as they actually exist at the present moment, if I had represented the strike as coming to an unbreakable deadlock, and the people of Illinois rising in their might and taking over all the capital in the state by ex-propriating its present owners?

My contention is that even if I were convinced—which I surely am not—that this is the ultimate and only conceivable correction of the faults in our capitalistic civilization, **it would be ridiculous to imagine that a working majority of the men and women of Illinois are ready now to stand for such a revolution or anything remotely resembling it.** Not the big capitalists only or chiefly, but virtually all the independent farmers, all the small savings bank depositors, nine-tenths of the professional classes, most of the salaried employees in all sorts of business, a majority of all wage-earners, and 99 out of 100 of the women of all classes, would regard an attempt to put the program of Socialism into practice literally in Illinois, today, as stark lunacy. What then would be the sense of representing the types of persons with which **Between Eras** deals as going beyond the limit of conceivability in changing their programs?

Suppose the biologists of the world should announce the conclusion tomorrow that the only rational course for human beings, both on economic and physiological grounds, is to become vegetarians; would you say it is "sickening" to assume that the stock yards would continue indefinitely to do business? The generality of people in Chicago and Illinois and the United States do not believe in the sociology or the program of Socialism, much more than they believe in vegetarianism. **The sensible thing for the small quota of people who do believe the sociology, whether they make it endorse the particularly Socialist program or not, is to spread that underlying sociology until it is a controlling social force.** When a working majority of the men and women of one of our states are convinced of a thoroughly human sociology, then it will be time to ask them to express that sociology in a corresponding reconstruction of our institutions. Before that comes to pass, however, institutions will have been changed so much by the indirect, piecemeal, semi-conscious method which has been the rule from time immemorial, that the reconstruction which now looks good to Socialists may appeal even less to more experienced people of future generations than capitalism appeals to you and me now.

In short, when you charge me with reaching the lame and impotent conclusion "profit-sharing," it seems to me that you are not showing the same grip of the principles asserted which you show about the rest of the argument. **The principle "partnership in control and income in the ratio of function in production" is as different from profit-sharing as profit-sharing is from slavery. My imagination doesn't stretch far enough for me to make a plausible guess as to what our civilization will look like when that principle has been assimilated for all it is worth.**

Meanwhile, I think all socially minded people may accomplish most toward their common end by putting their main reliance on making converts to moral sociology and particularly to the functional rather than the capitalistic criterion of property relations, always of course keeping on the watch for opportunities to concentrate developing social consciousness upon feasible adjustments. I differ frankly from you in thinking that we can accomplish more in the long run along this line than by berating each other for not agreeing as to the precise program which people will adopt after they have arrived at beliefs which are alien to the present ideas of all but a **saving remnant.** The opposite view seems to me as deficient in the sense of humor as that smug little brand of Episcopalianism whose cock-sure prescription for Christian unity is that all other Christians shall consent to be absorbed into its sect.

Sincerely,

ALBION W. SMALL.

At first glance a reader not used to thinking closely might imagine that Dr. Small's protest against our criticism is justified by the argument of his letter, but a careful analysis of the matter will reveal the very inconsistency we have already commented upon in "Three Fatal Flaws," and in our former articles. Almost any scholarly Socialist, reading Dr. Small's letter by itself, would say, as to the immediate tactics suggested, **"Why! that is exactly what the Socialist parties of all countries are doing—preaching the fundamental revolutionary Sociology and yet using common sense opportunism as to the immediate steps to take. Every enlightened Socialist knows we can not obtain Socialism all at once."** And with this idea the Socialists in parliaments and legislatures the world over, while proclaiming the complete abolition of capitalism as an ideal and as the inevitable goal of social evolution, do not fail to advocate and vote for woman suffrage, direct legislation, accident insurance, old age pensions, single tax land laws, and every straightforward move toward government inspection, government control, government ownership and government employment and care of workers, and government care of the children, infirm and aged; in fact they support every proposal that seems likely to help the workers even a little now.

Our objection is not to the "piece-meal," "one-step-at-a-time" character of Dr. Small's "immediate demands." The Socialist parties of the world recognize in their platforms the necessity of such tactics, as cited in the above paragraph. **Our objection is that Dr. Small's plan appears to be a piece of the wrong meal, it appears to step in the wrong direction.** His principle is sound, progressive, revolutionary, and its "carrying power" is mighty to prevail; but **his plan is reactionary, because it appeals, not to our democracy in government,** but to the justice(?) and generosity(?) of the exploiters themselves to relieve the oppressed people. **It attempts to ignore the irrepressible, age-long, inevitable conflict known to Sociologists as "the class struggle." It appeals to the masters to "be good," instead of to the people to awake and realize the enormity of their oppressions and arouse themselves to overthrow by democratic might, by piece-meal or otherwise, the system which enslaves them, robs them, and destroys hope for their children. And it strikes the most deadly blow at labor unions.**

Democracy can not "come from above" in the social struggle, but from beneath. **The people themselves must be aroused and educated to achieve it.** The attempt to "reconcile capital and labor," that is, to end or mollify the age-long fued between capitalists and laborers while capitalism yet exists, is merely crying "peace, peace," when there is no peace possible.

In a word then, the Socialist objects to Dr. Small's plan not with reference to his revolutionary sociological principle, nor his willingness to accept piece-meal progress while preaching the revolution, but in the direction of his appeal. His appeal is to capitalists gradually to reform out of existence the very system whereby they obtain their plunder! **The socialist appeals to the workers who are the people to wake up and accomplish through their own government, by processes fast or slow according to the degree of their awakening, the change from capitalism to industrial democracy.**

"Am I on the road to Huskville?" inquired the auto driver of a tousled youth by the roadside.

"Yassar," said the boy.

"How far is it?" queried the driver.

"Well, the direction you be a-goin,' it's about 24,998 miles, with some mighty sloppy an' some purty rough travellin'. But if you'll head yer car tother way, its only two miles."

Owing to **the wrong direction** of Dr. Small's reform plans (as proposed in Halleck's memorandum), we believe any attempt to put them into practice and any dependence upon them as practical means of progress would not only prove disappointing, but would delay the efforts necessary to achieve freedom.

Whether one is a vegetarian or not, it is "sickening" to think of the stock-yards existing indefinitely **as they are now**—62 babies died "back of the yards" in three days recently; but the way to remove or even improve the stockyards is not by pleading with Armour or Swift, but by arousing the people through public agitation to the horror of the inhuman, deadly conditions there, and to the immense public graft therein. **It will not be the beef trust magnates, but the outraged and aroused people who will cause the change for the better.** And this illustrates our whole contention against Dr. Small's plan. **The appeal for democracy must be to the people, not to kings or capitalists.**

A MILLIONAIRE LABOR LEADER

Dr. Small's apparent inability to understand the real labor problem in its most practical workings and appreciate the inevitable, in-

creasing class consciousness of the workers as such is manifest in the unnatural setting of his "strike." The strike leader of his story is not a workingman, but a millionaire manufacturer, who supports the strike, not by the contributions and privations of the workers but by his own benevolence. All the actors in the drama are rich, and the demand in behalf of the workers, who nowhere appear in the story, is not for a shorter workday, better wages, safer machinery and more sanitary surroundings, but for a representative on the board of directors of the company—one against all the others, helpless except to talk, and sorely tempted to become a tool or decoy duck for the others against the interests of the workers. **And for less than this the millionaire "labor leader" is at last willing to scuttle the union by inducing the men individually to sign away their right to strike.** Such a proposal comes only from capitalists in the real labor struggle, and no genuine union man or real labor leader would for a moment consider it. **The real workers fight for the "recognition of the union" every time, for that means the power of collective bargaining.** They never consent, while the union holds together and while they are winning, to sacrifice the power of the union. Only in utter defeat and dire want and after the union is crushed, do real working men sign away their right to wield their most powerful workingclass weapon, the strike. And even then they feel humiliated beyond measure and dread the contempt of their fellows and fear to the depths of their manhood that they will hear the vile epithet "scab."

Dr. Small has ably analyzed capitalism from the general economic and ethical viewpoints; but, naturally, he fails to get **THE WORKINGCLASS VIEWPOINT**, and this accounts, we believe, for the false setting and fatal flaws of his book. As a brilliant and interesting series of academic discussions in the genial glow of luxurious parlors, and as a strong and surprising attack on capitalism upon philosophical and ethical grounds, the book must be granted high rank; but the grim and fundamental reality of the real labor struggle and the main principles which underlie it seem to be lacking.

NO GENUINE POLITICAL OR INDUSTRIAL DEMOCRACY CAN EVER BE IN ANY COUNTRY WITHOUT CONSCIOUS, DELIBERATE, DETERMINED WORKING CLASS UNITY IN BOTH POLITICS AND INDUSTRY. THE WORKING CLASS IS THE PEOPLE, AND THEY MUST FREE THEMSELVES BY UNITED ACTION AGAINST THEIR OPPRESSORS ALL ALONG THE LINE.

Realizing, however, the "carrying power" of his revolutionary principle; knowing that eager voices and pens will quote his burning words against capitalism and in favor of industrial democracy all over the world, we are glad and proud to give space to the gist of them in this paper. We urge our readers to use them as keen weapons for social righteousness everywhere. And we advise every serious student of sociology to buy the book.

As he had not seen proofs of our article "Three Fatal Flaws" until after the above letter was written, we have urgently invited Dean Small to write another article for the **Christian Socialist** in full reply to our various articles concerning his book, and also to our comments on the letter just quoted. If he will do so, our remarks upon his reply will close, at least for the present, the very extensive review we have given his notable work.

WHY DON'T YOU?

You've been wishing that you might help the **Christian Socialist** weather the storm this summer—why don't you don a rain coat, if needful, and go out and hustle for some new subscribers? Wishing is useless, unless it leads **LEAFLETS ON CURRENT BIBLE LESSONS** to action.

As it is impracticable to print four Sunday School lessons in one monthly issue, we have been forced to leave them out of the **Christian Socialist** for the present; and in order to learn whether it is practicable to print the Sunday School lessons as a separate monthly or quarterly leaflet, we would be glad to hear from all who would subscribe for such a leaflet (at not more than 25c per year) and how many would want bundles (at not more than 2c per copy).

THE CHRISTIAN SOCIALIST

Published Monthly by
THE CO-OPERATIVE PRINTING CO.
Address: 5457 Drexel Ave., Chicago
Telephone, Midway 2349

Subscription Price.....$1.00 per year
Three yearly subs., $2.00. Ten yearlies, $5.00

NO BILLS FOLLOW THE CHRISTIAN SOCIALIST. If you get it REGULARLY, someone has paid for it. When your subscription expires we will notify you and STOP THE PAPER if you do not renew. If you receive a sample copy it is an invitation to subscribe at once.

Please do not send stamps for subscriptions or bundle orders above 50 cents. Do not send personal checks for less than $10.00, as we have to pay exchanges on all checks, unless you add 10c for exchange. We cannot be responsible for any money sent in letters. Use bank drafts, postoffice money orders or express orders.

EDITOR
Rev. Edward Ellis Carr, Ph. D.

CONTRIBUTING EDITORS
Rev. W. D. P. Bliss, D. D.....New York City
Rev. Wm. A. Prosser.....Pittsburgh
Rev Elliot White.....Mahwah, N. J.
Rev. J. Stitt Wilson.....Berkeley, Cal.
Harvey P. Moyer.....Chicago
George H. Strobell.....Newark
Oscar F. Donaldson.....Webster City, Iowa
Wm. A. Ward.....St. Louis
Rev. Geo. Willis Cooke.....Boston
Mrs. Kathryn Spiers.....Richmond, Va.
Mrs. Ella Carr.....Chicago

THE ADVANCE LINE

How Progress Follows Far Behind the Flag of Freedom

It is an old proverb that progress is made by a series of compromises by the mass of the people between the positions of the extreme radicals in front and the conservatives behind. Therefore it is of supreme importance, both as a matter of tactics and of principle, to have a strong, growing revolutionary movement in every country arousing the moderate progressives to more radical action and forcing the conservatives to make concessions to progress through fear of revolution, even though the revolutionary organization may never triumph as such politically.

How the growing Socialist parties of Germany and France have forced the more conservative parties to radical reform action is well known to every student of modern movements. The changed attitude of the Roman Catholic hierarchy, both in Europe and America, toward labor questions within the last twenty-five years is a notable illustration. I can remember when Roman Catholics in this country were much discouraged and often forbidden to join labor unions, both by priests and the Church press; but the growth of Socialism in America has made it seem advisable for the Roman hierarchy to flatter labor unions of the "pure and simple" kind and even to urge the Catholic workmen to join them, and expressly as a means of offsetting Socialism rather than primarily to benefit the poor, Catholic papers and priests are now declaring for various labor reform laws. Thus Socialism is becoming the primary power for reform even in the Roman Church.

The capitalists in general have seen the same light. Whereas a few years since they damned the American Federation of Labor and fought it with fierce unscrupulosity, today they flatter and cajole the leaders of that organization and even **hide behind it** as their best protection against the more virile, aggressive, and revolutionary Industrial Union movement. So frightened have they become because of the growth of the I. W. W. and its relentless revolutionary attitude that many of them are even willing to gulp down the distasteful dose of **minimum wage** as a means of keeping the half-starved workers from joining the terrible I. W. W. or the Socialist Party.

The writer of these lines is not in position to judge the I. W. W. and does not wish to be misunderstood as either approving or condemning it, because of his lack of "inside information;" yet nothing is clearer than that the manifest tendency to mere opportunist reform on the part of many leaders of the Socialist party, not only in America but in Germany, France, Italy and England as well, has been one of the chief causes of the amazing growth of syndicalism. The "pure and simple" capitalistic labor unions ha[illegible] another prime factor.

And the increasing tendency on the part of capitalist editors and authors to regard the political Socialist movement with greater favor as an antidote to the social revolution is one of the most thought-provoking facts within the Socialist horizon to-day. Political action is absolutely necessary and Socialist legislators must support every real reform law; but the movement must be inspired by the most revolutionary Marxian theory, the most revolutionary conduct possible in the industrial field where the class struggle goes on more consciously, and by suspicious and careful use of the initiative, referendum and recall within the party. Briand, Clemenceaux, and Millerand present anti-Socialist leaders of France, were each once at the head of the Socialist movement of that country. Official ambition poisoned their hearts. The same is true of John Burns of England. American Socialists should be warned by such examples and watch their leaders more closely. **So long as any movement blindly trusts its leaders there is no hope of either industrial or political democracy.**

The more revolutionary the Socialist message is and the more absolutely committed to the class struggle, the more rapidly it will grow and the stronger will its influence be.

All possible attempts to reform the hopelessly evil system and to save the dying beast of capitalism will be undertaken by the capitalists themselves if they see a growing revolutionary movement confronting them.

If we keep the skirmish line far in advance, whatever reform compromises may be adopted will become more and more radical until the capitalist system falls. **But if there be no far-flung revolutionary skirmish lines, if the standard of working class revolution be not lifted far in front, the main army of progress will advance but slowly if at all.**

"Bring the flag back to the regiment!" trumpeted the colonel in the heat of a losing battle to the color sergeant who had fearlessly carried the standard far up the ramparts of the foe.

"No!" thundered the brave color bearer; "You bring the army forward to the flag!" At the inspiring word the apparently impossible feat was performed and victory crowned the erstwhile imperilled banner.

Our crimson banner marks the goal of present social movements. THE FEAR OF SOCIALISM IS THE BEGINNING OF SOCIAL REFORM. "No compromise; no political trading." Let us preach the social revolution straight, clear and strong. A compromise on our part would be treason to the cause of agonized humanity. Keep the Red Flag far in front.

"HE HATH DONE WHAT HE COULD"

"Enclosed find $1.00, which please accept as a donation. It is not much, but just think what would happen if one thousand comrades would each do as I am doing."—A. J. Sholer.

It would tide the Christian Socialist over the deadly reef rocks into a safe passage.

"GO THOU AND DO LIKEWISE."

If each comrade who appreciates the CHRISTIAN SOCIALIST would obtain only one new subscriber this month we could sail her safely over the dangerous sandbar (or lack-of-sand bar?) on which she is almost stuck. Will YOU do that much?

"Put on sand" and help the C. S. over the sand into the safe channel.

BLEEDING MEXICO

The Mexican revolution still goes blindly on, leaving a trail of blood and desolation. The overthrow of Diaz might have been a blessing if American capitalists had not conspired and bribed to put Madero on the throne. The overthrow of Madero and his assassination was probably the result of a counter reactionary intrigue, as the insurgent forces refused to recognize his government. And therefore the war goes on.

Powerful financial influences are at work, probably the same that enthroned Madero against the people's will, to cause the U. S.